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ALASKA ECONOMIC TRENDS

Alaska Department of Labor Bill Sheffield, Governor, State of Alaska

1 High Tech: Alaska's Boom Industry?

6 Graphic Facts

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The following notes pertain to Nonagricultural Wage and Salary Employment Tables:

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1983.

P/ Denotes preliminary estimates.

R/ Denotes revised estimates.

HIGH TECH: ALASKA'S BOOM INDUSTRY?

By John Van Houten

Alaska has not enjoyed the rapid (and highly publicized) growth in high technology employment experienced by some other regions of the country. A review of the nature of high technology and some of the trends surrounding these industries reveals why Alaska has not shared in this phenomenon. Most people working in high technology occupations are directly involved in developing or applying new technologies. While computer and electronics specialists, engineers, mathematicians, physical and life scientists, and engineering and science technicians are clearly included, no standardized, universally accepted definition of high technology exists.

The U.S. Department of Labor, Bureau of Labor Statistics (BLS), has identified three different, though overlapping, groups of high tech industries. Group I high tech industries are determined on the basis of their workforce. An industry is classified high tech if the number of its employees working in scientific and technical fields are at least one and a half times the average for all industries. Group II industries are industries that have a ratio of research and development expenditures to net sales that is at least twice the average for all industries. Inclusion into Group III is based both on the composition of the labor force and on research and development expenditures. Manufacturing industries are included in Group III if the proportion of scientific and technical workers in the industry was at least equal to the average for all manufacturing industries and the ratio of research expenditures to sales was at least close to the average for all industries.

Where does Alaska rank in a comparison of high technology employment? When taken as a percentage of total nonagricultural employment, Alaska ranks 46th among the states and U.S. possessions under the workforce definition. Alaska is tied for last place in Group II, under the definition of research and development expenditure as a percent of sales. Alaska ranks 50th when the hybrid of workforce skills and research and development definition of Group III is used (See Table 1).

Forty-eight industries have been classified as high tech by the BLS based on the proportion of their workers in scientific and technological fields (more than one and a half times the national average for all industries, see Table 2, Group I). Heavy construction, engineering services, wholesale heavy machinery, crude petroleum and natural gas production, and communications services are the major high tech industries contributing employment in Alaska.

When high technology is defined in terms of the ratio of research and

development expenditures to net sales, i.e., at least twice the 6.2% national average of all industries, Alaska is found to be without significant high tech employment (See Table 2, Group II). While there are state of the art technological applications in Alaska (especially in communications and oil exploration and extraction) there is very little actual research and development. In addition, since there is only very limited research and development outside of the manufacturing sector (both here and in the lower forty-eight) it is hardly surprising that Alaska, with so little primary manufacturing, is unrepresented.

A definition based on the proportion of technology-oriented workers equal to or greater than the national average (6.3%) and the ratio of research and development expenditures to sales equal to or greater than the national average (3.1%) identifies 28 major industrial groups none of which have

Table 1
High Technology Industries
Percent of Firms Qualifying as High Technology by State and U.S. Position
By Three BLS Definitions of 'High Tech'

Group I		Group II		Group III	
Delaware	25.1	Connecticut	6.8	Delaware	14.8
Michigan	19.8	New Hampshire	6.8	Connecticut	12.5
Connecticut	19.3	Arizona	6.6	Massachusetts	11.4
New Hampshire	18.4	Vermont	6.5	New Hampshire	11.2
Indiana	16.6	California	6.2	New Jersey	10.1
Texas	16.6	Massachusetts	6.0	Vermont	9.8
Massachusetts	16.5	Washington	5.6	California	9.6
New Jersey	16.4	Kansas	4.4	Arizona	8.4
Ohio	16.0	Puerto Rico	4.1	Puerto Rico	8.1
California	15.5	Utah	4.0	Washington	7.8
Oklahoma	15.4	New Jersey	3.7	Indiana	7.6
Vermont	15.4	Colorado	3.3	Kansas	7.0
Kansas	15.0	Minnesota	3.2	Minnesota	7.0
Colorado	14.4	Missouri	3.1	New York	6.7
Illinois	14.2	Indiana	3.0	Colorado	6.6
Arizona	14.0	**United States**	2.8	Missouri	6.5
Wisconsin	14.0	Florida	2.8	**United States**	6.3
United States	13.7	New York	2.8	Tennessee	6.2
Missouri	13.7	Texas	2.5	South Carolina	6.1
Minnesota	13.1	Maryland	2.1	Utah	6.0
Pennsylvania	13.1	Illinois	2.0	Illinois	5.9
Louisiana	13.0	Pennsylvania	2.0	Pennsylvania	5.9
Iowa	12.9	Rhode Island	2.0	Texas	5.9
Tennessee	12.9	Maine	1.9	Ohio	5.8
Washington	12.8	North Carolina	1.9	Wisconsin	5.5

significant employment in Alaska (see Tables 1 & 2, Group III).

Clearly, by any definition, high technology employment in Alaska is very limited and well below the national average level. A brief look at some of the trends in high tech employment further explains why Alaska has not participated in the high tech boom.

High technology enterprises usually locate in or near major research areas and universities that originate the ideas and technology that are then developed commercially by high tech entrepreneurs. High tech companies usually locate in areas that have a rich industrial infrastructure; a highly trained, technologically sophisticated labor pool; and in areas with low labor costs. In addition, high tech companies tend to locate in areas that already have a high concentration of high tech enterprises. Clearly all of

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Group I		Group II		Group III	
New York	12.5	Oklahoma	1.8	Maryland	5.2
South Carolina	12.4	Alabama	1.7	Virgin Islands	5.2
Kentucky	12.0	Nebraska	1.7	North Carolina	5.1
Utah	11.9	Ohio	1.7	Virginia	4.6
Arkansas	11.8	New Mexico	1.6	Arkansas	4.5
Wyoming	11.6	Oregon	1.6	Florida	4.5
Maryland	11.4	Idaho	1.5	Idaho	4.5
North Carolina	11.2	Iowa	1.3	West Virginia	4.5
New Mexico	10.9	South Carolina	1.3	Rhode Island	4.4
Puerto Rico	10.9	South Dakota	1.3	New Mexico	4.3
Mississippi	10.6	Georgia	1.2	Oregon	4.2
Virginia	10.4	Tennessee	1.0	Louisiana	4.0
Alabama	10.3	Virginia	1.0	Alabama	3.8
West Virginia	10.2	Michigan	0.9	Michigan	3.8
Idaho	10.0	Kentucky	0.8	Kentucky	3.7
Georgia	9.8	Arkansas	0.7	Oklahoma	3.7
Florida	9.6	Mississippi	0.7	Iowa	3.3
North Dakota	9.4	Nevada	0.7	Mississippi	3.3
Oregon	9.3	Louisiana	0.6	Nebraska	3.3
Rhode Island	9.3	Wisconsin	0.6	Georgia	3.2
Nebraska	9.0	Delaware	0.5	Maine	3.1
Alaska	8.2	North Dakota	0.2	Nevada	2.8
Virgin Islands	8.1	West Virginia	0.2	South Dakota	2.5
South Dakota	7.9	Dist. of Columbia	0.1	Wyoming	1.1
Montana	7.5	Montana	0.1	Montana	0.9
Maine	7.0	Wyoming	0.1	**Alaska**	0.6
Nevada	6.6	**Alaska**	•	Dist. of Columbia	0.6
Dist. of Columbia	5.3	Hawaii	•	Hawaii	0.5
Hawaii	4.2	Virgin Islands	•	North Dakota	0.5

Source: U.S. Department of Labor, Bureau of Labor Statistics; ES202 Report on Employment and Wages.

• Too small to be significant.

these trends, when combined with Alaska's already formidable problems of geographic isolation, severe weather, and small population explain the lack of high technology employment in Alaska.

Alaskans can console themselves, however, by realizing that for all the publicity surrounding the admittedly high growth rates for high tech employment, the actual number of jobs generated nationally is relatively small. Also, the original base was quite small, in comparison to the workforce as a whole. In the next ten years, the proportion of high tech jobs will only increase from the present 3% to a projected 4% of the workforce. High technology industries will be responsible for only 6% of the new jobs

Table 2
High Technology Industries
By Three BLS Definitions of 'High Tech'

SIC	Industry	High Tech Group I	II	III	Alaska # of Firms	Emp.
131	Crude petroleum and natural gas	X			20	2287
162	Heavy construction, except highway and street	X			217	5794
281	Industrial inorganic chemicals	X		X	0	0
282	Plastic materials and synthetics	X		X	0	0
283	Drugs	X	X	X	0	0
284	Soaps, cleaners, and toilet preparations	X		X	0	0
285	Paints and allied products	X		X	1	*
286	Industrial organic chemicals	X		X	0	0
287	Agricultural chemicals	X		X	1	*
289	Miscellaneous chemical products			X	0	0
291	Petroleum refining	X		X	4	*
301	Tires and inner tubes	X			0	0
324	Cement, hydraulic	X			0	0
348	Ordnance and accessories	X		X	0	0
351	Engines and turbines	X		X	0	0
352	Farm and garden machinery	X			0	0
353	Construction, mining, and material handling machinery	X			4	20
354	Metalworking machinery	X			1	*
355	Special industry machinery, except metalworking	X		X	0	0
356	General industrial machinery	X			1	*
357	Office, computing, and accounting machines	X	X	X	0	0
358	Refrigeration and service industry machinery	X			0	0
361	Electric transmission and distribution equip.	X		X	0	0
362	Electrical industrial apparatus	X		X	0	0
363	Household appliances	X			0	0
364	Electric lighting and wiring equipment	X			0	0
365	Radio and TV receiving equipment	X		X	0	0

expected to be created in the next decade. It is also interesting to note that of the jobs generated by high technology industries, less than one-third of these jobs will be technological in nature. The remaining two-thirds will be in the usual mix of managerial, clerical, service, and production.

It is helpful to keep in mind as the media continues its fascination with the 'miracle' of high technology, that in the eighties, both in Alaska and nationwide, employment growth in absolute numbers will be dominated by sales and service occupations, not high technology occupations. (See July *Alaska Economic Trends.)*

SIC	Industry	High Tech Group I	II	III	Alaska # of Firms	Emp.
366	Communication equipment	X	X	X	1	•
367	Electronic components and accessories	X	X	X	0	0
369	Miscellaneous electrical machinery	X		X	3	•
371	Motor vehicles and equipment	X			1	•
372	Aircraft and parts	X	X	X	1	•
376	Guided missiles and space vehicles	X	X	X	0	0
381	Engineering, laboratory, scientific, and research instruments	X		X	0	0
382	Measuring and controlling instruments	X		X	0	0
383	Optical instruments and lenses	X		X	0	0
384	Surgical, medical, and dental instruments	X		X	0	0
386	Photographic equipment and supplies	X		X		0
483	Radio and TV broadcasting	X			52	1187
489	Communication services, n.e.c.	X			24	1543
491	Electric services	X			48	1181
493	Combination electric, gas and other utility services	X			3	•
506	Wholesale trade, electrical goods	X			63	705
508	Wholesale trade, machinery, equipment, and supplies	X			175	2452
737	Computer and data processing services	X		X	59	496
7391	Research and development laboratories	X		X	9	78
891	Engineering, architectural, and surveying services	X			330	3042
892	Noncommercial educational, scientific and research organizations	X			31	329

Source: U.S. Department of Labor, BLS Monthly Labor Review, Nov., 83.

1/ ES202 Report, 3rd Quarter 1983.
• Nondisclosable

GRAPHIC FACTS

By Jeff Hadland

Alaska is statistically different, in many ways, from most other states. Alaska has the highest median family income and the highest per capita personal income (unadjusted for the cost of living). The following graphs illustrate some of these inter-area differences. Alaska has changed dramatically during the last ten years, with construction and operation of the oil pipeline and North Slope oilfield development the major economic impetus for this change. Historical employment data by industry, unemployment and consumer price index information are presented from 1974 to the present.

Graph 1 Per Capita Personal Income

Per capita personal income estimates are derived by estimating the total income from all sources of residents of a state. The largest component of personal income is wages and salaries. However, income from dividends, self employed earnings and businesses are also included in the total personal income measure. The per capita figure for each state is calculated by dividing the total personal income by the estimated total population.

Graph 2 Median Family Income

Median family income estimates for a family of four are provided by the U.S. Bureau of the Census. By definition, half of all families of four earn less than the median income figure while half earn more. The median income figure is estimated from personal income data, U.S. Census data and the Current Population Survey.

Graph 3 Percent of Total Population Born in State of Residence

In the 1980 U.S. Census, a sample of residents in each state were asked to indicate the state in which they were born. From this information, the proportion of current residents that were born in their current state of residence was determined. Alaska has the third largest proportion of current residents who were not born in the state.

Graph 4 Wage and Salary Employment by Labor Market Area

Annual average nonagricultural wage and salary employment is shown by labor market area as a percent of total statewide employment.

Graph 5 Annual Earnings by Industry

The measure of earnings by industry varies depending upon the choice of definition. The annual average earnings rate is determined by dividing

total annual wages by average monthly employment. The average earnings for all workers is determined by dividing total wages by the total number of individual workers who worked at some time during the year. For instance, in 1983 average monthly employment for all industries was 193,035 while the total number of workers was 313,900. Average and median earnings for all workers are significantly less than average monthly earnings, based on average monthly employment, especially in industries with a large amount of turnover or a great deal of seasonality (manufacturing, construction and trade).

Graph 6 Basic vs Non Basic Employment

Average annual total employment figures for 1984 through 1989 have been forecast by Research and Analysis for the Occupational Employment Statistics (OES) program. For purposes of this graph, Alaska's basic industries include mining, construction, manufacturing and government.

Graph 7 Yearly CPI Percent Change

The change in the consumer price index (CPI) for wage and clerical workers only compares Anchorage price changes to that of Seattle and the U.S.

Graph 8 Unemployment Rates

The not "seasonally adjusted" unemployment rate dramatizes the importance seasonal industries have in affecting the rate of employment and unemployment.

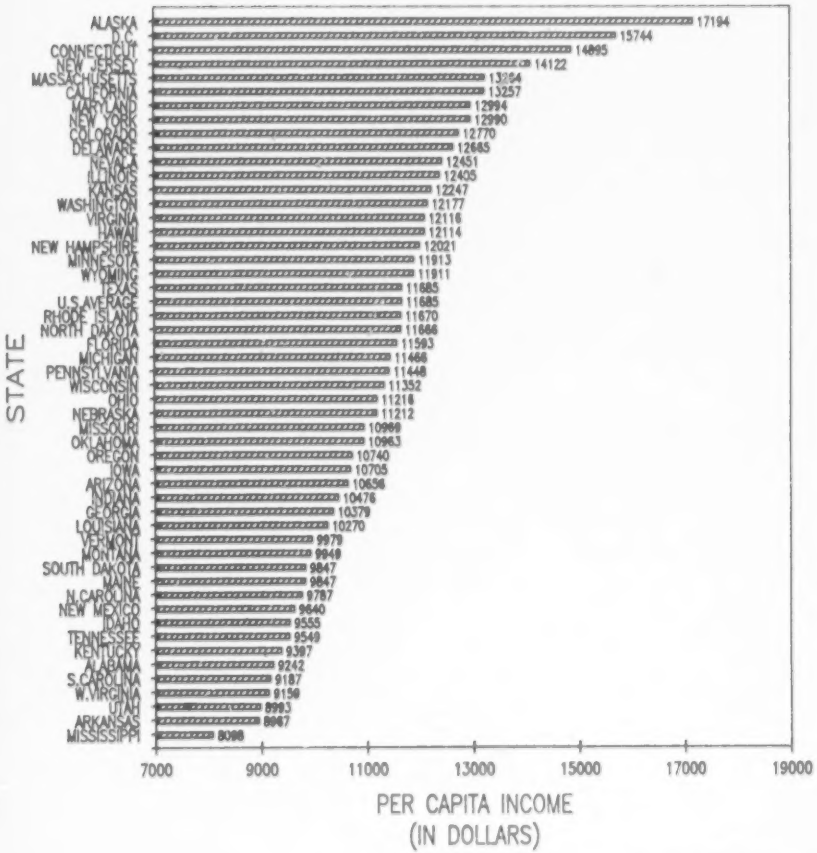
Graph 9 Wage and Salary Employment 1974-1984

In addition to graphing wage and salary employment, a trend line using regression techniques indicates the average rate of growth in employment since 1976.

Graphs 10-18 Employment by Industry by Month

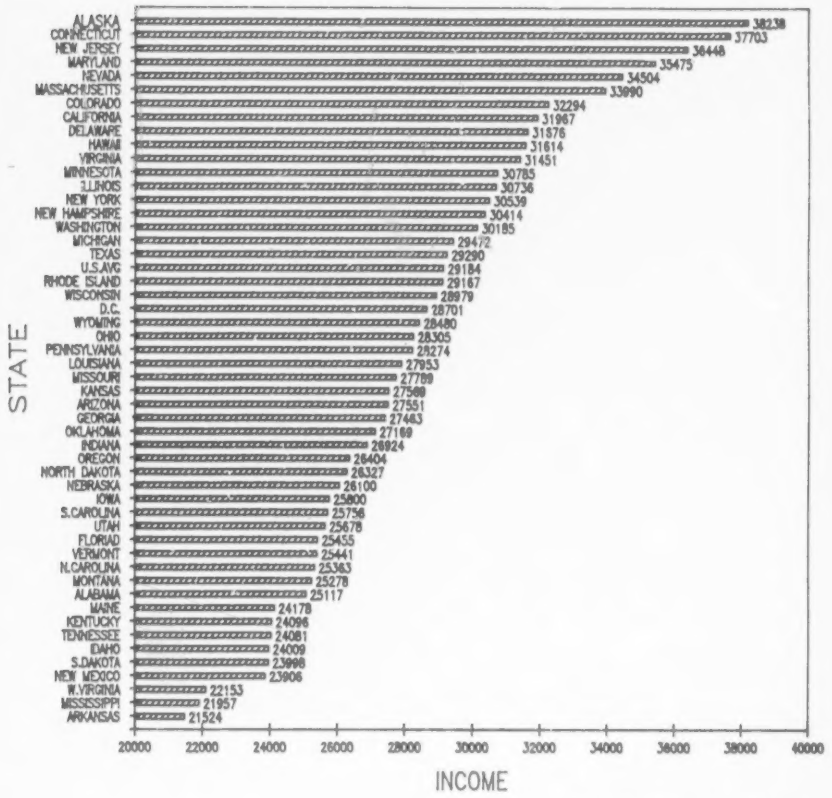
Each major industry's employment suggests its overall importance to Alaska's economy and its seasonal influence.

PER CAPITA PERSONAL INCOME
BY STATE
1983



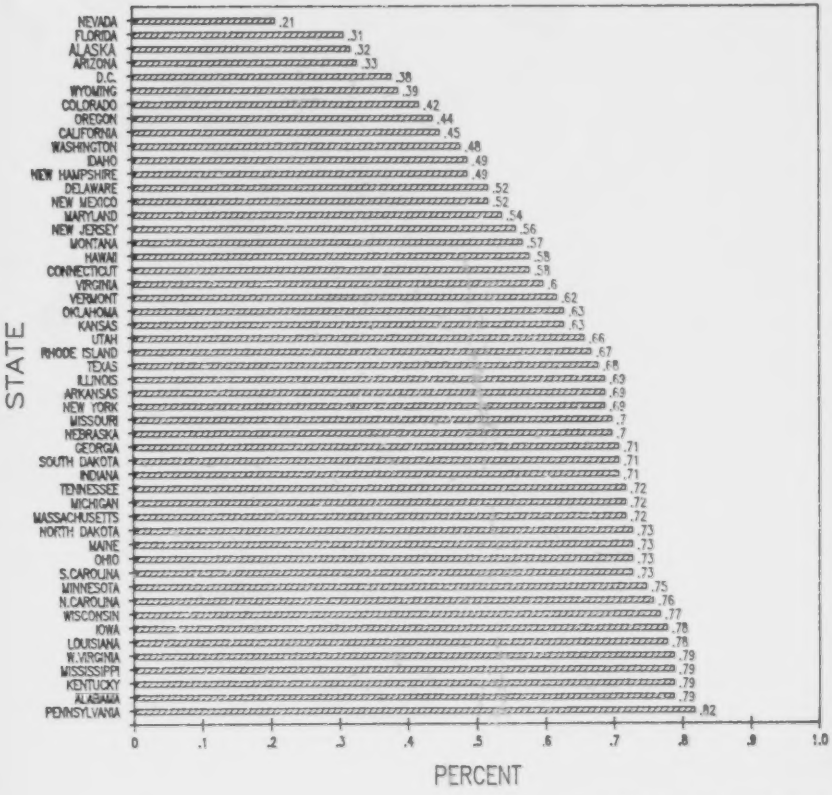
SOURCE:U.S.DEPT OF COMMERCE–BEA.

MEDIAN FAMILY INCOME FOR FOUR PERSON FAMILY BY STATE 1983



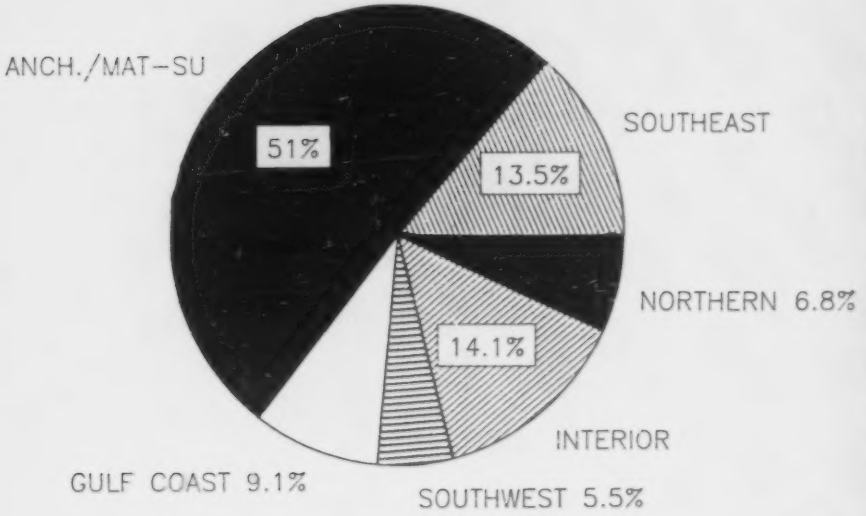
SOURCE:U.S.BUREAU OF CENSUS

PERCENT OF TOTAL POPULATION BORN IN STATE OF RESIDENCE BY STATE 1980

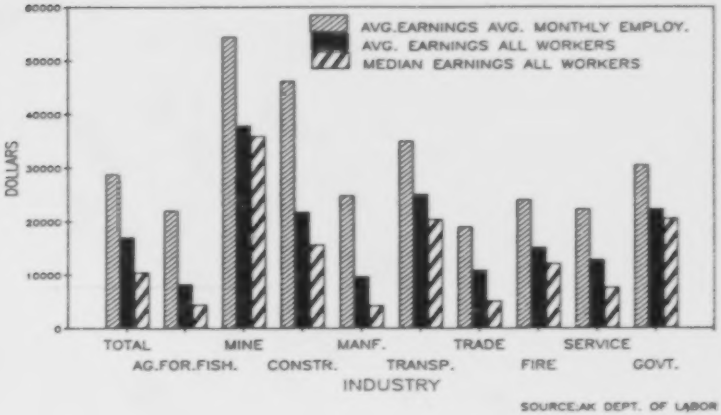


SOURCE:U.S.BUREAU OF CENSUS

WAGE AND SALARY EMPLOYMENT
BY LABOR MARKET AREA
ANNUAL AVERAGE
ALASKA 1983

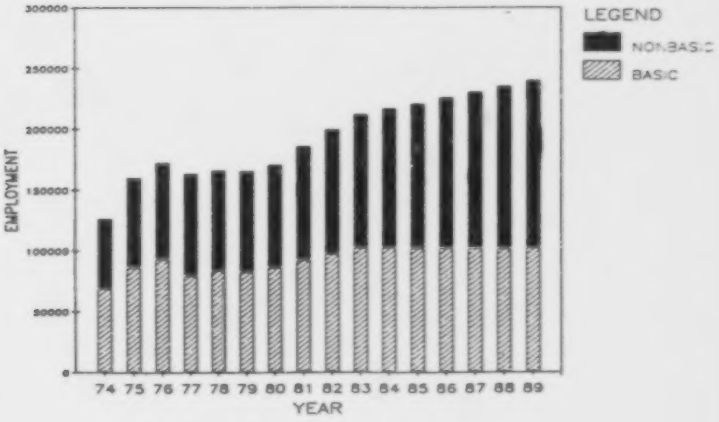


ANNUAL EARNINGS BY INDUSTRY FOR AVERAGE MONTHLY EMPLOYMENT AND ALL WORKERS ALASKA 1983

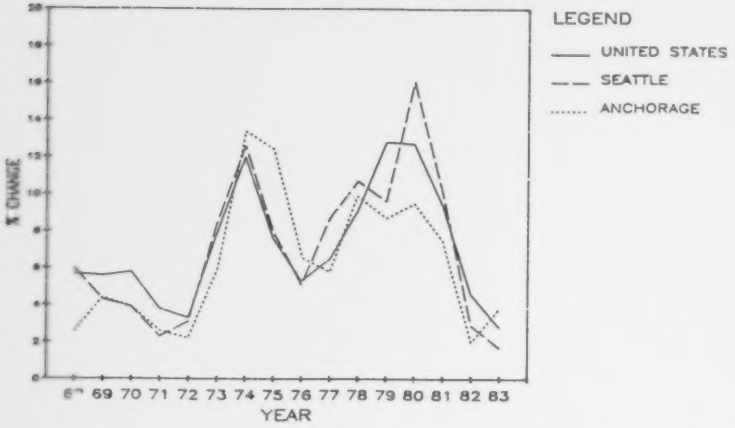


SOURCE:AK DEPT. OF LABOR

ANNUAL AVERAGE EMPLOYMENT BASIC AND NONBASIC HISTORICAL AND FORECAST ALASKA 1974–1989

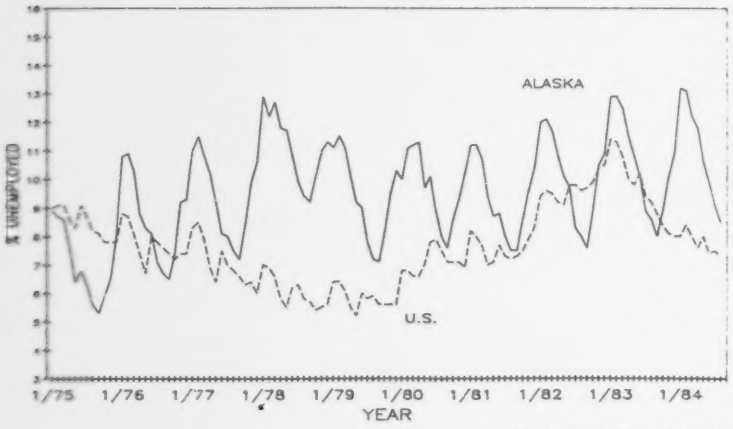


YEARLY CPI PERCENT CHANGE
WAGE AND CLERICAL WORKERS ONLY
1967 TO PRESENT



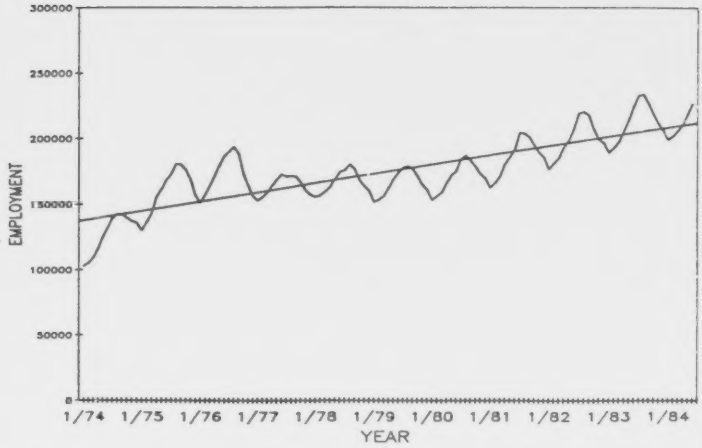
Source:U.S. Dept. of Labor, Bureau of Labor Statistics

UNEMPLOYMENT RATES
NOT SEASONALLY ADJUSTED
1975 to Present

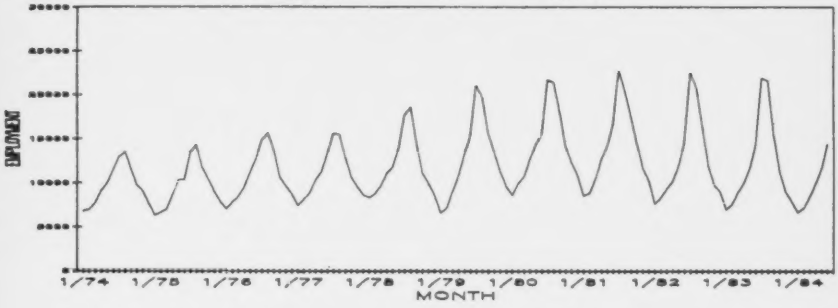


SOURCE: ALASKA DEPT. OF LABOR

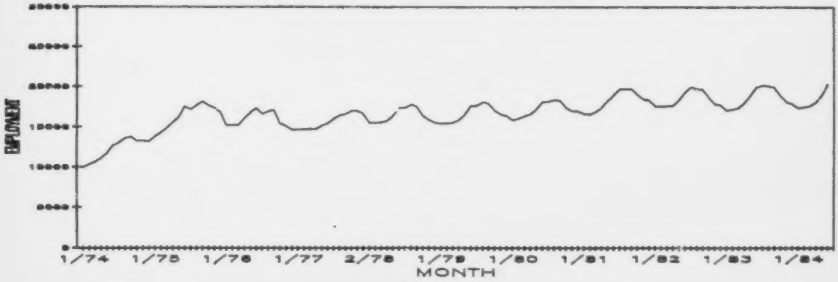
WAGE AND SALARY EMPLOYMENT
ALASKA
1974—1984



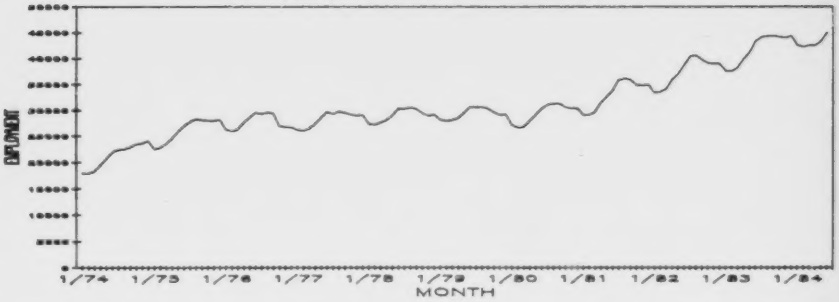
TOTAL MANUFACTURING EMPLOYMENT
BY MONTH
ALASKA 1974—1984



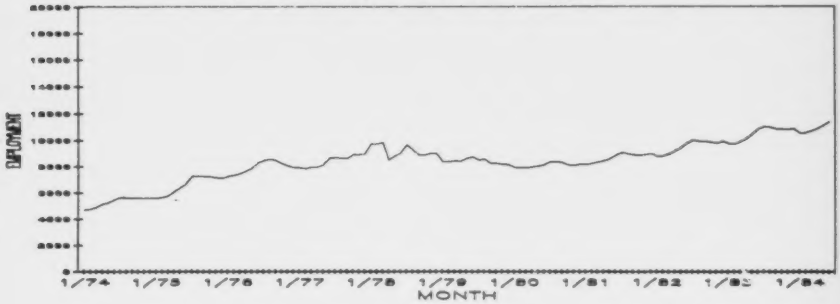
TRANSPORTATION, COMMUNICATIONS AND
PUBLIC UTILITIES EMPLOYMENT
BY MONTH
ALASKA 1974—1984



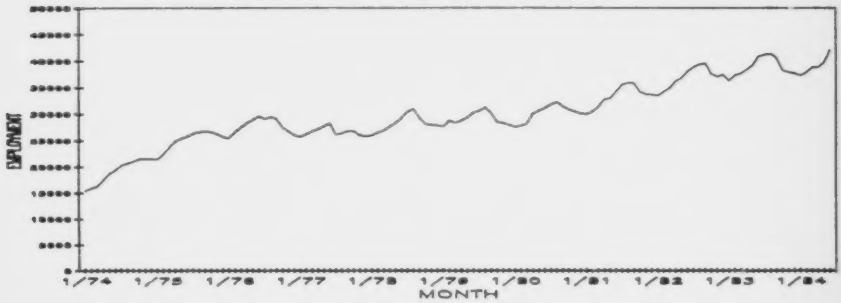
TOTAL TRADE EMPLOYMENT
BY MONTH
ALASKA 1974—1984



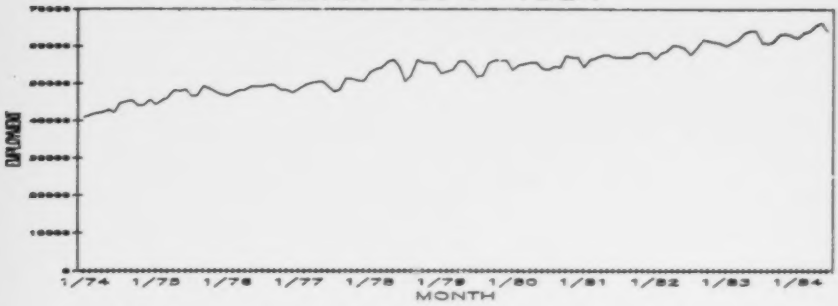
FINANCE, INSURANCE AND REAL ESTATE
EMPLOYMENT BY MONTH
ALASKA 1974—1984



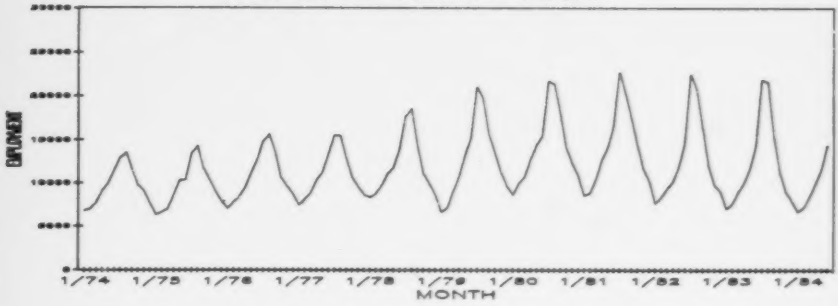
TOTAL SERVICES EMPLOYMENT
BY MONTH
ALASKA 1974—1984



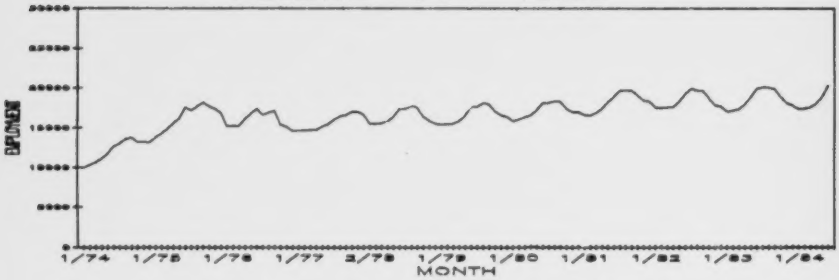
TOTAL GOVERNMENT EMPLOYMENT
BY MONTH
ALASKA 1974—1984



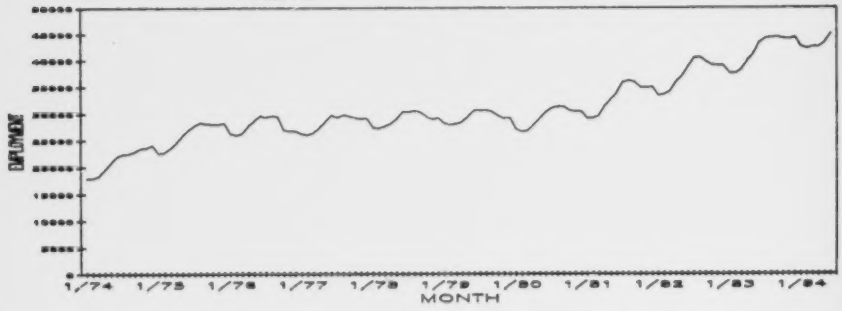
TOTAL MANUFACTURING EMPLOYMENT
BY MONTH
ALASKA 1974—1984



TRANSPORTATION, COMMUNICATIONS AND PUBLIC UTILITIES EMPLOYMENT BY MONTH ALASKA 1974—1984



TOTAL TRADE EMPLOYMENT BY MONTH ALASKA 1974—1984



ALASKA

By Ed Eboch

September employment declined as seasonal changes occurred in several industries. Manufacturing and trade experienced the biggest drops in employment as the peak salmon season ended and the tourist traffic began its fall declines. Offsetting these drops somewhat was the increase in state and local government employment as the schools and colleges began the fall semester. The unemployment rate was 8.3%, a drop from the August rate but above last year's rate.

Construction

We have been drawing attention to an expected weak 1985 construction season after an exceptionally good 1983 and spring and summer 1984 construction employment periods. While the evidence is mixed, leading indicators appear to support conclusions of a downturn soon in construction employment. Housing units authorized through August of 1984 are well below the like period in 1983. Oil and gas exploration and development construction projects for 1984 and 1985 are anticipated to be well below the 1982/83 levels with recent declines in oil prices, state spending for capital projects in 1985 and 1986 is expected to remain at or below the levels of 1983/84.

According to Alaska's Department of Commerce and Economic Development, housing units authorized for construction are well below the number authorized in 1983 (Table I). The effect of the decline in housing units authorized will be felt later this year and next year. Only Fairbanks, of the major communities in Alaska, has had an increase in units authorized. This increase was more than offset by declines of over 50% in both Anchorage and Juneau.

Typically in a residential construction "boom", multiple housing units built exceed single family units built. The opposite occurs in a downturn. In 1983 Juneau, Fairbanks, and Anchorage had more multiple family units authorized than single family units (Table II). In 1984, this was reversed for both Juneau and Anchorage. Indicative of the tighter housing market in Fairbanks was the greater number of multiple family units authorized than single family units. Statewide the decline in units authorized was widespread, affecting most communities of any size (Table III).

The July Economic Report of Region X by the U.S. Department of Housing and Urban Development reported 1984 second quarter rental vacancy rates up considerably from the first quarter of 1984 and up from the same quarter a year ago for Alaska's major communities (Table IV). As can be seen, Fairbanks' rental vacancy rate is low enough that some growth in residential housing would be considered healthy for a growing

Table I
Housing Units Authorized
(By Building Permits)**

	Anchorage		Fairbanks		Juneau		Statewide*	
	1983	1984	1983	1984	1983	1984	1983	1984
Month								
January	189	114	2	0	27	8	233	157
February	773	278	5	1	2	11	817	334
March	1353	614	33	7	46	43	1548	714
April	1118	561	83	50	86	65	1451	799
May	1237	716	88	175	159	80	1642	1069
June	1265	478	287	373	182	57	1873	933
July	766	399	80	78	83	49	1078	620
August	1237	640	91	87	112	23	1572	851
Total	7938	3800	669	771	697	336	10214	5537

* Includes Anchorage, Cordova, Fairbanks, Homer, Juneau, Kenai, Ketchikan, Kodiak, Palmer, Petersburg, Seldovia, Seward, Sitka, Soldotna, Valdez, Wrangell.

** Total includes conversion.

Source: Alaska Housing Report, Office of Economic Analysis, Alaska Department of Commerce and Economic Development.

Table II
Housing Units Authorized
(By Building Permit)

Area	1st Eight Months	Single Family	Multiple Family	Mobile Homes	Total* Units
Anchorage	1983	2781	4959	164	7904
	1984	1991	1724	65	3780
Fairbanks	1983	250	417	1	668
	1984	207	560	1	768
Juneau	1983	133	544	12	689
	1984	193	136	6	335

* Excludes conversions.

Table III
Housing Units Authorized
(By Building Permits)*

	1st Eight Months		Percent
	1983	1984	Change
Anchorage	7938	3800	-52.1
Cordova	19	1	-94.7
Fairbanks	669	771	15.2
Homer	83	115	38.6
Juneau	697	336	-51.8
Kenai	160	112	-30.0
Ketchikan	261	99	-62.1
Kodiak	96	92	-04.2
Palmer	31	41	32.3
Petersburg	18	39	116.7
Seldovia	5	9	80.0
Seward	30	33	10.0
Sitka	46	33	-28.3
Soldotna	121	44	-63.6
Valdez	13	8	-38.5
Wrangell	27	4	-85.2
Statewide	10124	5537	-45.8

* Includes conversions.

community. The vacancy rate in Anchorage is great enough to suggest some correction can be anticipated in residential construction in the year ahead. With reports of excessive vacancy rates in commercial buildings as well, commercial related construction employment will also decline.

Although publicly awarded contracts were below last year's levels through July, according to *Alaska Construction and Oil* a surge in construction award activity in August and September pushed the total contracts awarded through the end of September this year to $696 million. This is 7% above the like period of 1983. However, most of this increase was in state and local government contracts awarded. (The reported contracts awarded do not include many private projects and has no estimate for petroleum related construction activities which are believed to be well below the levels of the past two years.) The major areas of increase through the end of August were in highway construction, up 61.5% and sewer and water, up 133.0% (Table V).

According to a study on the Economic Impacts of Capital Spending in Alaska (September 1984), by the Institute of Social and Economic Research, state capital projects would have accounted for less than one-third of construction related employment from 1982 through the first eight months of 1984. With little reason to believe that public capital spending will significantly increase and with petroleum related construction activities below the 1982/83 levels and pressure on residential and commercial construction activities, 1985 should result in declines in construction related employment in both relative and real terms.

LABOR FORCE BY REGION AND CENSUS DIVISION

	Labor Force			Unemployment			Rate			Employment		
	P 9/84	R 8/84	9/83	P 9/84	R 8/84	9/83	P 9/84	R 8/84	9/83	P 9/84	R 8/84	9/83
Alaska Statewide	248554	253784	239937	20663	21512	19158	8.3	8.5	8.0	227891	232272	220779
Anchorage-MatSu Region	129035	129078	121312	9233	9451	7935	7.2	7.3	6.5	119802	119627	113377
Anchorage	116598	116614	109344	7898	8073	6474	6.8	6.9	5.9	108700	108541	102870
Matanuska-Susitna	12437	12464	11968	1335	1378	1461	10.7	11.1	12.2	11102	11086	10507
Gulf Coast Region	28359	31716	27669	2385	2526	2742	8.4	8.0	9.9	25974	29190	24927
Cordova	1464	1615	1421	74	52	87	5.1	3.2	6.1	1390	1563	1334
Kenai	14678	16572	14416	1444	1699	1715	9.8	10.3	11.9	13234	14873	12701
Kodiak	6389	6954	6131	458	289	439	7.2	4.2	7.2	5931	6665	5692
Seward	2004	2293	1989	152	211	211	7.6	9.2	10.6	1852	2082	1778
Valdez	3824	4282	3712	257	275	290	6.7	6.4	7.8	3567	4007	3422
Interior Region	32694	33394	31932	3822	3989	3740	11.7	11.9	11.7	28872	29405	28192
Fairbanks	26739	27250	26165	3207	3283	3186	12.0	12.0	12.2	23532	23967	22979
Southeast Fairbanks	2649	2690	2529	288	286	224	10.9	10.6	8.9	2361	2404	2305
Upper Yukon	797	852	804	93	135	117	11.7	15.8	14.6	704	717	687
Yukon-Koyukuk	2509	2602	2434	234	285	213	9.3	11.0	8.8	2275	2317	2221
Northern Region	11209	11076	12033	923	992	850	8.2	9.0	7.1	10286	10084	11183
Barrow-North Slope	2972	2905	3240	197	185	224	6.6	6.4	6.9	2775	2720	3016
Kobuk	3535	3548	3748	343	419	278	9.7	11.8	7.4	3192	3129	3470
Nome	4702	4623	5045	383	388	348	8.1	8.4	6.9	4319	4235	4697
Southeast Region	34596	35138	34500	3379	3419	3037	9.8	9.7	8.8	31217	31719	31463
Angoon	456	501	466	43	81	50	9.4	16.2	10.7	413	420	416
Haines	1178	1164	1164	125	94	102	10.6	8.1	8.8	1053	1070	1062
Juneau	12471	12687	12441	1139	1173	1020	9.1	9.2	8.2	11332	11514	11421
Ketchikan	7615	7725	7199	1048	1053	581	13.8	13.6	8.1	6567	6672	6618
Outer Ketchikan	889	893	885	115	107	105	12.9	12.0	11.9	774	786	780
Prince of Wales	1576	1606	1700	132	138	244	8.4	8.6	14.4	1444	1468	1456
Sitka	4947	4992	5024	369	340	410	7.5	6.8	8.2	4578	4652	4614
Skagway	1627	1678	1787	100	127	248	6.1	7.6	13.9	1527	1551	1539
Wrangell-Petersburg	3837	3892	3834	308	306	277	8.0	7.9	7.2	3529	3586	3557
Southwest Region	12661	13382	12491	921	1135	854	7.3	8.5	6.8	11740	12247	11637
Aleutian Islands	3327	3490	3324	134	160	159	4.0	4.6	4.8	3193	3330	3165
Bethel	4100	4373	4033	365	477	331	8.9	10.9	8.2	3735	3896	3702
Bristol Bay Borough	466	467	444	45	27	26	9.7	5.8	5.9	421	440	418
Bristol Bay	1696	1756	1638	119	111	75	7.0	6.3	4.6	1577	1645	1563
Kuskokwim	1096	1191	1104	78	129	95	7.1	10.8	8.6	1018	1062	1009
Wade Hampton	1976	2105	1948	180	231	168	9.1	11.0	8.6	1796	1874	1780

P/=Preliminary 1983 Benchmark

R/=Revised

Federal guidelines require the use of unrounded labor data, adjusted to be consistent with the Current Population Survey (CPS) in formulas used to allocate federal funds. Comparisons between different time periods are not as meaningful as other time series published by the Alaska Department of Labor; because Alaska's CPS sample size is inadequate to accurately indicate monthly changes in level. The sampling errors are random in nature; meaning that the unemployment rates, in any given month, are as likely to be high as frequently as they are low. The official definitions of unemployment, currently in place, exclude anyone who has made no attempt to find work in the four week period up to and including the week that includes the twelfth of each month. Most economists feel that Alaska's bush localities have proportionately more of these discouraged workers.

Table IV
Rental Vacancy Rates
As of July 1, 1984

	Current Quarter	Last Quarter	Same Quarter Year Ago
Alaska	5.4	3.7	3.2
Anchorage	12.0	9.0	5.9
Fairbanks	1.5	1.0	0.7

Source: Economic Report Region X, U.S. Department of Housing and Urban Development, Seattle Regional office.

Table V
Alaska
Publically Awarded Contracts
(Through August)

Categories	1984 to Date	1983 to Date
Airports	$18,345,787	$21,166,238
Electric Power	6,527,290	74,410,318
Highways	113,113,499	70,020,195
Industrial/Commercial Buildings	112,080,600	122,417,797
Marine	13,432,056	13,413,866
Military	57,739,633	72,348,046
Petroleum	—	—
Public Buildings	177,210,297	187,634,050
Sewer and Water	52,5[illegible]6,691	22,562,654
Miscellaneous	13,5[illegible],651	2,233,454
Total	$564,[illegible]95,504	$586,206,618

Source: Alaska Construction and Oil, October, 1984.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
ALASKA

	P/	R/	CHANGES FROM:		
	9/84	8/84	9/83	8/84	9/83
Nonag. Wage & Salary	234100	236100	227100	-2000	7000
Mining	8100	8200	8500	-100	-400
Construction	24000	24700	26200	-700	-2200
Manufacturing	15300	19000	15300	-3700	0
Food & Kindred Products	9300	13100	9300	-3800	0
Lumber & Paper Products	2800	2700	2900	100	-100
All Other Mfg.	3200	3200	3100	0	100
Trans. Comm. & Utilities	20300	20600	19800	-300	500
Trucking & Whseing.	2300	2600	2200	-300	100
Water Transportation	1600	1700	1700	-100	-100
Air Transportation	6200	6400	6100	-200	100
Other Trans. Comm. & Utilities	10200	9900	9800	300	400
Trade	45400	46300	44400	-900	1000
Wholesale	8600	8900	8300	-300	300
Retail	36800	37400	36100	-600	700
Gen. Merchandise & Apparel	5100	5400	5000	-300	100
Food Stores	6000	6000	5900	0	100
Eating & Drinking Places	13300	13500	12900	-200	400
Other Retail Trade	12400	12500	12300	-100	100
Fin.-Insurance & R. Estate	11400	11500	10900	-100	500
Services & Misc.	43600	43000	40600	600	3000
Government	66000	62800	61400	3200	4600
Federal	18400	18700	17900	-300	500
State	19800	18600	18100	1200	1700
Local	27800	25500	25400	2300	2400

Prepared in cooperation with the U.S. Bureau of Labor Statistics.

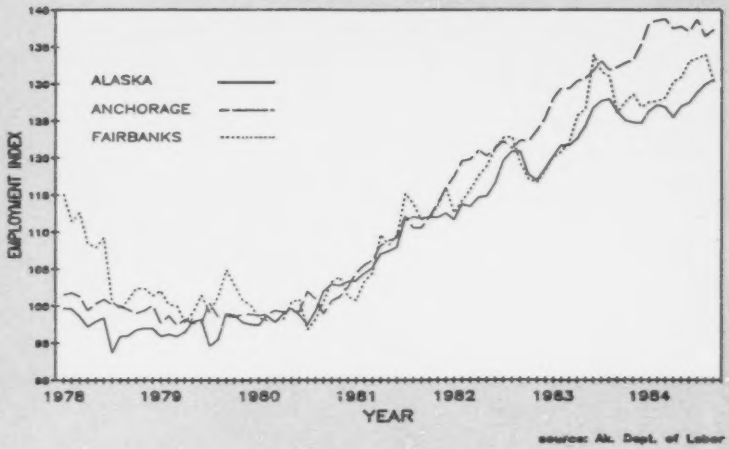
Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1983.

P/ Denotes premilinary estimates.

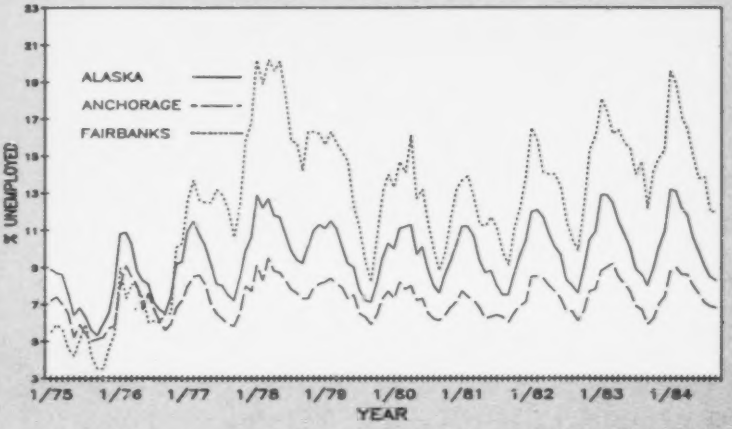
R/ Denotes revised estimates.

Composite Nonag. Employment Indexes
Seasonally Adjusted
1978 to Present



source: Ak. Dept. of Labor

UNEMPLOYMENT RATES
NOT SEASONALLY ADJUSTED
1975 to Present



source: Ak. Dept. of Labor

ANCHORAGE/MATSU

By Greg Huff

Census of Retail Trade: Part II
A Comparison Anchorage, Alaska and U.S.

This article is the second part of a two part series examining the 1982 Census of Retail Trade. Part I concentrated specifically on Anchorage retail trade characteristics and trends. Overall the examination found a changing and growing Anchorage retail trade industry. Part II will focus on comparisons between Anchorage, Alaska and the U.S. retail trade industries. A review of the 1982 Censuses of Retail Trade for the three areas reveal many similarities and differences in the composition of the retail trade industry and in the trends since the 1977 Censuses of Retail Trade.

Retail trade sales and employment in Anchorage grew twice as fast as they did in the U.S. from 1977 to 1982. Retail trade sales increased 87% in Alaska compared to the U.S. growth of 48%. A sharp contrast in the economic state of affairs between Alaska and the rest of the U.S. explains much of this difference. In 1982 Alaska was into its second year of rapid economic expansion while the U.S. economy was in a recession.

Alaska and Anchorage followed similar growth trends, but Anchorage surpassed the statewide expansion in employment by 7% and sales by 9%. Anchorage acts as a regional center as well as the center for much of the state. The share of retail trade establishments, sales, and employment Anchorage represents of the statewide total highlights this point. Anchorage had 43% of all retail trade establishments statewide but accounts for 56% of Alaska's retail sales and 52% of retail trade jobs (Table 1).

Reflective of a healthy and expanding economy, sales in the building materials, hardware and garden supply stores in Anchorage and statewide grew faster than any other sector. Conversely the same sectors nationally echoed a economy in recession. From 1977 to 1982 sales nationally grew 32% while in Anchorage sales grew 198%. Building materials, hardware and garden supply sales accounted for 4.8% of total retail sales for the U.S. in 1982 compared to 11.7% and 10.8% for Anchorage and Alaska. The result of the strong sales growth in Alaska was an increase of 600 new jobs statewide in this sector since 1977 with 400 of these new jobs in Anchorage. Sales per firm in Anchorage also grew substantially. This is a major reason Anchorage's building materials, hardware and garden supply establishments have nearly twice the number of employees per establishment as similar firms nationwide.

Nationally, statewide, and in Anchorage the general merchandise establishments, which include major department stores and variety stores, have

Table 1
1982 Retail Trade
Anchorage
As Percent of State

	Establishments	Sales	Employment
Total Retail Trade	43%	56%	52%
Building Supplies, Hardware, Garden Supply	38%	60%	50%
General Merchants	15%	70%	64%
Food Stores	31%	43%	41%
Automotive and Recreational Vehicles	42%	65%	58%
Gasoline Stations	56%	58%	43%
Apparel Stores	50%	65%	64%
Furniture, Home Furnishings & Equipment Stores	54%	66%	65%
Eating and Drinking	41%	54%	54%
Drug Stores	41%	63%	50%
Miscellaneous Retail Stores	45%	48%	50%

Source: 1982 Census of Retail Trade, Alaska. U.S. Department of Commerce, Bureau of Census.

the highest ratio of sales per business within the retail trade industry. Anchorage general merchandise establishments averaged $12 million in sales per establishment in 1982 while statewide general merchandise establishments averaged $3.8 million in sales and U.S. general merchandise establishments averaged $3.5 million in sales. In Anchorage the general merchandise stores retain an average of 130 employees per store compared to 31 statewide and 54 nationally. Anchorage group merchandise stores make up only 15% of total general merchandise establishments statewide but account for 70% of total sales and 64% of total employment.

Food store sales represent the single largest share of total retail sales in Anchorage, Alaska and the U.S. However, Anchorage consumers spend proportionately less of their retail dollar on food at grocery stores than they do nationally. Food stores sales in 1982 represented 22% of total retail sales nationally versus 17% for Anchorage. Does this mean Anchorage residents eat out more? When comparing the percent distribution of sales at eating and drinking establishment between the U.S. and Anchorage this certainly seems to be the case. On average, eating and drinking sales account for 12.3% of all retail sales in Anchorage compared to 9.7% nationally. This may be the result of higher personal income of Anchorage residents or an indication that a greater percent of income is spent on retail sale items outside the state.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
ANCHORAGE

	P/	R/	CHANGES FROM:		
	9/84	8/84	9/83	8/84	9/83
Nonag. Wage & Salary	113800	114150	109600	-350	4200
Mining	3550	3500	3700	50	-150
Construction	11550	11800	11550	-250	0
Manufacturing	2850	3200	2750	-350	100
Food & Kindred Prod.	600	950	600	-350	0
Other Mfg.	2250	2250	2150	0	100
Trans. Comm. & Utilities	9400	9700	9000	-300	400
Trucking & Whseing.	1250	1350	1200	-100	50
Water Transportation	350	400	400	-50	-50
Air Transportation	3850	4000	3700	-150	150
Other Trans. Comm. & Utilities	3950	3950	3700	0	250
Trade	27900	27950	26500	-50	1400
Wholesale	6350	6400	6000	-50	350
Retail	21550	21550	20500	0	1050
Gen. Merchandise	1800	1800	1750	0	50
Food Stores	2950	2900	2500	50	450
Eating & Drinking Places	8200	8250	8050	-50	150
Other Retail Trade	8600	8600	8200	0	400
Fin.-Insurance & R. Estate	7800	7950	7300	-150	500
Services & Misc.	24750	24850	24050	-100	700
Government	26000	25200	24750	800	1250
Federal	10200	10450	9950	-250	250
State	6700	6150	6150	550	550
Local	9100	8600	8650	500	450

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
ANCHORAGE-MATSU

	P/	R/	CHANGES FROM:		
	9/84	8/84	9/83	8/84	9/83
Nonag. Wage & Salary	120200	120350	115250	-150	4950
Mining	3550	3550	3700	0	-150
Construction	12350	12700	12500	-350	-150
Manufacturing	3000	3350	2900	-350	100
Trans. Comm. & Utilities	10000	10200	9550	-200	450
Trade	29150	29250	27750	-100	1400
Fin.-Insurance & R. Estate	8200	8300	7550	-100	650
Services & Misc.	25600	25700	24950	-100	650
Government	28350	27300	26350	1050	2000

Eating and drinking places represent 28% of total establishments in Anchorage compared to 24% nationwide. Anchorage eating and drinking places employ 40% of all Anchorage retail employees. This exceeds the national share by 8 percentage points. The number of employees per establishment is greater in Anchorage than nationally as well; 14.5 employees per establishment for the U.S. compared to 20.6 for Anchorage. Americans overall have been increasing the amount they eat out. The percent share sales of eating and drinking places represent of total retail sales has increased from 7.9% in 1972 to 9.7% in 1982. Sales for eating and drinking places as a percent of total retail sales declined in Alaska and Anchorage from 1977 to 1982, but 1982 is higher than in 1972. The 1977 census results reflect the effects of pipeline era wages and workers.

Next to food store expenditures; Americans, including Alaskans, spend more of their retail dollar on automotive and recreational vehicle needs than on any other retail sector. Alaskans, though, spend a smaller part of their retail dollar on those expenditures than other Americans. Automotive and related sales account for 13% of total retail trade sales statewide and 15% in Anchorage in contrast to the U.S. proportion of 18%. When service station sale are included the portion of total retail sales the automotive and recreation vehicles represent increased to 27% for the U.S., 22% for Anchorage and 20% for Alaska. Anchorage represents 65% of all automotive and related sales in the state but represents only 42% of establishments

Table 2
Retail Trade
Sales

	Anchorage		Alaska		U.S.	
	1982 Sales ($100,000)	Percent Change 1977-1982	1982 Sales ($100,000)	Percent Change 1977-1982	1982 Sales ($100,000)	Percent Change 1977-1982
Total Sales	1,769	87%	3,152	78%	1,033,727	48%
Building Materials, Garden Supplies	207	198%	340	131%	49,940	32%
Gen. Merchandise	232	64%	334	51%	119,301	37%
Food Stores	296	44%	692	65%	240,408	57%
Automotive & Rel.	268	76%	410	75%	187,843	28%
Gasoline Stations	118	134%	205	110%	94,820	80%
Apparel Stores	83	102%	127	90%	57,180	58%
Furniture & Equip. Stores	85	139%	128	130%	45,098	42%
Eating and Drinking Places	217	75%	403	62%	100,794	64%
Drug Stores	84	72%	136	69%	35,777	34%
Misc. Retail	180	115%	374	85%	102,565	59%

Source: 1982 Censuses of Retail Trade, Alaska: 1982 Census of Retail Trade, United States, Preliminary Report Summary Series.

Table 3
Retail Trade
Employment

	Anchorage		Alaska	
	1982	Percent Change 1977-1982	1982	Percent Change 1977-1982
Total Employment	15,800	22%	30,020	15%
Building Materials, Garden Supplies	842	105%	1,684	59%
General Merchandise	1,697	-18%	2,674	-38%
Food Stores	2,003	20%	4,838	33%
Automotive and Related	957	3%	1,649	9%
Gasoline Stations	526	-8%	1,219	5%
Apparel Stores	787	25%	1,235	18%
Furniture and Equipment Stores	677	74%	1,035	65%
Eating and Drinking Places	6,309	46%	11,728	19%
Drug Stores	434	-6%	870	8%
Miscellaneous Retail	1,568	24%	3,088	16%

Source: 1982 Census of Retail Trade, Alaska: 1977 Census of Retail Trade, Alaska.

statewide. Another indicator of Anchorage's position as Alaskas main commercial center. The retail automotive sector was hard hit by the recession in the lower 48 in 1982. Sales increased 28% over the five year period while employment fell 7%. Meanwhile vehicle sales and supplies in Anchorage and Alaska grew the U.S. growth 75% over this period.

Apparel stores in Anchorage and Alaska comprise a smaller proprortion of firms, sales and employment than such stores do nationally. In addition apparel establishments are generally smaller in Alaska with less employees per business but with average sales per establishment greater in Alaska and Anchorage. Sales growth in the furniture, home furnishings and equipment stores ranked second among the various retail sectors for Anchorage, Alaska and the U.S. The rate at which Anchorage and Alaska furniture, home furnishings and equipment stores grew, was twice as fast as the U.S. rate. Anchorage's retail trade is concentrated more heavily in those retail trade sectors that can act as a certain retail trade sector because of Anchorage's role as a distribution center.

In summary, the examination of the Retail Trade Censuses for Alaska, Anchorage and the United States reveal that the different economic conditions that prevailed explain some of the difference in the makeup of the retail trade sector. The Alaska Census result reflected a rapidly expanding economy While the U.S. Census echoed an economy in recession. Also found in the examination were the simalarities and difference in the structure of the retail trade sector in a mature U.S. economy versus that of a growing and maturing Alaskan economy with Anchorage as the leading commerce center.

FAIRBANKS/INTERIOR

By Neal Fried

Military's Presence Expands in Fairbanks

Over the years, a number of very visible economic events have helped shape Fairbanks' history. They have included the discovery of gold, the establishment of military bases, and the construction of the oil pipeline and subsequent oil development. All of these events have made substantial contributions to Fairbanks' economic base and have been responsible for continued employment growth. As a result of these events, Fairbanks has become the regional center for commerce, transportation and state and federal government service for the northern and interior sections of the state.

During the past decade the number of soldiers in Fairbanks has been fairly stable, remaining at the 2,500-2,800 level, with some spurts of expansions beyond the 3,000 level during 1977-78. Recently, Eielson AFB added a squadron and within a year, the military will begin to relocate an additional 2,000-2,500 soldiers to Ft. Wainright. Most of the troops are expected to be in place by the end of 1987. Presently, there are 2,700 soldiers and 980 civilians (580 wage rate and GS personnel with the balance NAF/EXCHANGE/PDO personnel) stationed and working on Ft. Wainwright. This means Ft. Wainwright's uniformed military strength will approximately double.

The military's presence as a share of Fairbanks' population and economy had been declining. In 1970, the uniformed military (Army and Air Force) made up 18% of Fairbanks' population; in 1983, it was half this figure. Oil development and Fairbanks' expanding role as a regional center have chipped away at the proportional importance of the military to the economy. Even with the additional troops, their proportional share will not return to the 1970 level, but will be closer to 10-12% of the population.

It is difficult to quantify what effect this event will have on the Fairbanks economy because it will not be happening in an isolated environment separate from the dynamic workings of the remainder of the economy. There is also a lack of data and some uncertainty of the magnitude of this move. [No one is yet sure exactly how many soldiers will be stationed at Ft. Wainwright or the number of civilian jobs.] However, the Army has announced that the civilian payroll would grow by approximately $2.5 million, which would suggest approximately 100 additional full-time civilian jobs.

The military's economic impact is quite different from other basic industries. A military base is largely self-sufficient and therefore almost entirely insulated from the local economy. Housing, shopping facilities,

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
FAIRBANKS

	P	R	CHANGES FROM:		
	9/84	8/84	9/83	8/84	9/83
Nonag. Wage & Salary	29700	29700	28650	0	1050
Mining	350	350	350	0	0
Construction	3950	4050	3950	-100	0
Manufacturing	600	650	650	-50	-50
Trans. Comm. & Utilities	3100	3050	2900	50	200
Trucking & Wrseing.	500	500	450	0	50
Air Transportation	750	750	700	0	50
Other Trans. Comm. & Utilities	1850	1800	1750	50	100
Trade	5900	6000	5850	-100	50
Wholesale	1000	1000	900	0	100
Retail	4900	5000	4950	-100	-50
Gen. Merchandise & Apparel	400	400	400	0	0
Food Stores	750	800	750	-50	0
Other Retail Trade	3750	3800	3800	-50	-50
Fin.-Insurance & R. Estate	1000	1000	950	0	50
Services & Misc.	5550	5850	5350	-300	200
Government	9250	8750	8650	500	600
Federal	2650	2750	2550	-100	100
State	3850	3600	3500	250	350
Local	2750	2400	2600	350	150

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
INTERIOR

	P	R	CHANGES FROM:		
	9/84	8/84	9/83	8/84	9/83
Nonag. Wage & Salary	32900	33650	32600	-750	300
Mining	550	550	500	0	50
Construction	4050	4150	4000	-100	50
Manufacturing	650	700	700	-50	-50
Trans. Comm. & Utilities	3850	3800	3700	50	150
Trade	6250	6500	6350	-250	-100
Fin.-Insurance & R. Estate	1100	1100	1050	0	50
Services & Misc.	5950	6300	5750	-350	200
Government	10500	10550	10550	-50	-50

day care, medical services, and a host of other services are provided on base. Only 14% of Ft. Wainwright's present uniformed population lives off base. The average military paycheck is smaller than Fairbanks' average. However the civilians' average earnings are closer to the Fairbanks average and most of their paychecks will be spent in the local economy. All these factors need to be considered when assessing the economic and employment impact of these new troops.

Doubling the number of troops means an increase in demand for housing in the community. While the Army is planning to build housing on post to accommodate this expansion, there will be a delay. This will mean increased demand for housing off base and demand for contractors to construct housing on base.

Military personnel spend a portion of their incomes on goods and services in the local economy, boosting the secondary industries. The overall operations on the base (outside of housing) will also expand, creating a demand for construction and goods and services. The extent of increased employment besides the direct employment of civilians on base is difficult to estimate. Employment multipliers for the military vary from 1.2 to 2.4. A conservative estimate would put this figure anywhere between 500-1,000 additional jobs in the community. In the long run, when construction is complete, these jobs will be largely non-seasonal, providing more stability to Fairbanks' labor market.

GULF COAST

By Neal Fried

Cordova's Employment 1980-1984

Cordova's employment statistics during the past four years are far from impressive. The state and most of its regions have experienced remarkable gains each year while Cordova's employment picture has remained stagnant. There was a spurt of employment growth in Cordova in 1981, but since that time small gains and losses have occurred. It is surprising that Cordova's employment has not grown given the state's largess which has provided funds to communities throughout the state during the past four years. What makes Cordova one of the few communities which has missed participating in these years of economic prosperity?

Cordova is largely a one industry town. Fishing, the major industry, has not been performing well. The nonagricultural wage and salary employment statistics found in the tables below are not necessarily a good indicator of this because they exclude the fish harvesting employment and value of the catch. In Tables I and II the fishing employment is found under manufacturing, which represents the fish processing end of the industry. There are no employment numbers specifically for Cordova's fish harvesting employment, but there are estimates for the Prince William Sound area. Adjusting these numbers to estimate the fish processing employment for Cordova would indicate an annual average fisheries related employment of 800 or more and a peak of nearly 2,000 during the summer season. These statistics alone indicate the fishing industry's importance in Cordova's economy. Without this industry most if not all other employment in the community would not exist.

Fish processing employment did peak in 1981 at an annual average of 381 but has dropped back in 1983 to the 280-290 level. This may partially explain why total employment has moved little during the past three years. The volume and value of the shell fishery (king crab and shrimp) has been falling precipitously since 1981. The salmon fishery, volume-wise, has had good years since 1981, but the value of this fishery has fallen, and therefore the income to fishermen has declined during the past three years. Salmon fishing employment remained strong during these years because the fishermen, despite falling prices, had to fish to earn what income they could and the fish had to be processed. This drop in income has meant that most of Cordova's industries dependent on this income stream have budged little. Trade and some of the other secondary industries' employment did grow through 1982, but they have either remained stable or declined in subsequent years.

Employment in the construction industry has remained largely unchanged over the past four years despite increased public construction dollars. Residential construction peaked in 1980 with 68 permits but has fallen to new lows in 1984. Through August of 1984 only one permit has been issued in Cordova.

Though Cordova has not been enjoying the economic prosperity seen in much of the remainder of the state , without the increased flow of state dollars into the local economy, employment may have declined instead of stagnated. Low interest loans, increased state funding to local government and school districts for operating and capital costs, and permanent fund dividends have helped keep employment from falling dramatically in Cordova. However, this increased funding has not been enough to make up for the shortfalls in the fishing industry and probably never will. Cordova's employment picture will not likely change until there is a turnaround in the Cordova fishing industry.

Table I
Cordova-McCarthy 1/
Annual Average Nonagricultural Employment
1980-1983

	1980	1981	1982	1983
Total	1068	1235	1296	1277
Mining	•	•	•	•
Construction	•	22	29	26
Manufacturing	277	381	280	295
Transportation	116	181	256	242
Trade	•	•	•	184
Wholesale	•	•	•	22
Retail	130	135	177	162
Finance, Insurance & Real Estate	116	181	256	242
Services	118	111	128	130
Government	292	318	326	328
Federal	36	44	39	36
State	82	88	89	89
Local	174	186	198	203
Miscellaneous	•	•	•	•

• Nondisclosable

1/ Though these employment statistics are for the Cordova-McCarthy census area, more than 95% of this employment is found in Cordova.

Table II
Cordova-McCarthy 1/
Nonagricultural Employment
1st Quarter Average
1983-1984

	1983 Qtr. 1	1984 Qtr. 1
Total	984	913
Mining	*	*
Construction	9	33
Manufacturing	104	64
Transportation	232	204
Trade	135	117
Wholesale	7	5
Retail	128	112
Finance, Insurance & Real Estate	21	23
Services	127	116
Government	323	327
Federal	33	28
State	83	85
Local	207	214
Miscellaneous	*	*

* Nondisclosable

1 1st quarter 1984 is the most recent data available for the Cordova-McCarthy census division.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
GULF COAST

	P/	R/	CHANGES FROM:		
	9/84	**8/84**	**9/83**	**8/84**	**9/83**
Nonag. Wage & Salary	22250	25000	21600	-2750	650
Mining	700	700	700	0	0
Construction	2500	2800	2500	-300	0
Manufacturing	3950	6550	3750	-2600	200
Food & Kindred Prod.	3200	5800	3000	-2600	200
All Other Mfg.	750	750	750	0	0
Trans. Comm. & Utilities	2300	2450	2550	-150	-250
Trade	3550	3700	3500	-150	50
Wholesale	600	600	600	0	0
Retail	2950	3100	2900	-150	50
Fin.-Insurance & R. Estate	500	550	500	-50	0
Services & Misc.	3450	3500	3250	-50	200
Government	5300	4750	4850	550	450
Federal	600	550	550	50	50
State	1650	1550	1400	100	250
Local	3050	2650	2900	400	150

SOUTHEAST ALASKA

By John Boucher

Southeast Alaska nonagricultural wage and salary employment decreased by 500 jobs in September to 31,600, a 1.5% decline in the number of jobs in the region. The decline was spread across nearly every industry, but the biggest declines came in manufacturing, trade and transportation employment. Manufacturing employment decreased by 650 jobs over the month due to the end of the salmon season. One bright spot in manufacturing during September was the reopening of a pulp mill in Ketchikan after being down for the previous two months.

Construction employment in Southeast declined slightly in September, largely due to a decrease in heavy construction related activity. Part of the downturn could be attributed to the stop work order placed on the parking garage project for the City and Borough of Juneau. Building and special trades construction did not experience any drop which was somewhat surprising given the apparent excess capacity in both the commerical and residential real estate markets in the capital city.

Transportation employment declined by 100 jobs over the month as the water and air transportation sectors decreased employment from their August levels. Both of these industries tend to reach their highest levels in mid-summer and then taper off as winter approaches. Water transportation tends to fluctuate in response to construction and forest products industry activity while air transportation employment fluctuates in response to tourism related activity. Transportation will probably continue to experience small declines as tour bus operators, boat charters, and other visitor related transportation activities enter their slow season.

Government and services were the only two industries to experience growth in employment during the month. Both the increase in government and services employment were related to the beginning of the new school year. Private educational services not administered by local governments which are categorized under services employment increased over the month. Meanwhile public school districts and the University of Alaska, which are categorized under local and state government respectively, also increased employment in September.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
SOUTHEAST ALASKA

	P/	R/	CHANGES FROM:		
	9/84	**8/84**	**9/83**	**8/84**	**9/83**
Nonag. Wage & Salary	31600	32100	31300	-500	300
Construction	2350	2400	2700	-50	-350
Manufacturing	4100	4750	4200	-650	-100
Food & Kindred Prod.	1600	2450	1600	-850	0
Lumber & Paper Prod.	2250	2050	2350	200	-100
All Other Mfg.	250	250	250	0	0
Trans. Comm. & Utilities	2300	2400	2350	-100	-50
Trade	5000	5200	4900	-200	100
Wholesale	450	500	500	-50	-50
Retail	4550	4700	4400	-150	150
Fin.-Insurance & R. Estate	1050	1050	1000	0	50
Mining, Services & Misc.	4850	4800	4550	50	300
Government	11950	11500	11600	450	350
Federal	2300	2350	2400	-50	-100
State	5500	5450	5250	50	250
Local	4150	3700	3950	450	200

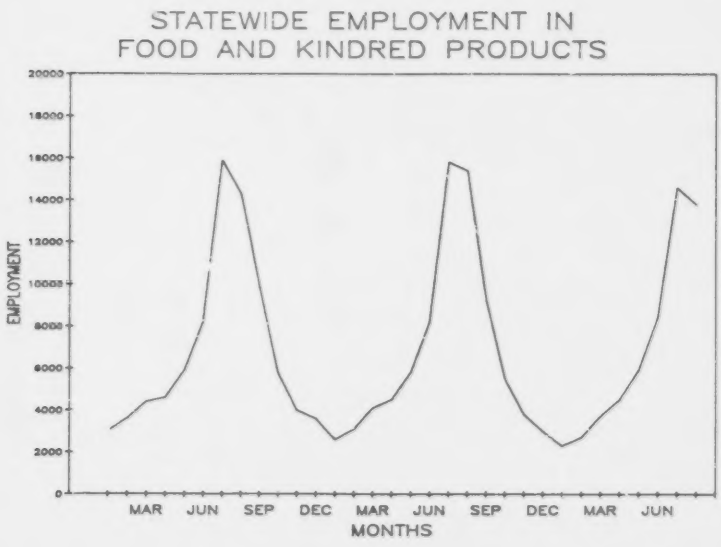
HOURS AND EARNINGS

By Kathleen Thomas

Fish and seafood processing, the major component of the food and kindred products sector of manufacturing, is characterized by intense spurts of activity in the summer months. Employment jumps, average weekly hours worked move up, but average hourly earnings decrease. The decrease in average hourly earnings is attributed to hiring of lower paid temporary employment during the summer months.

As can be seen in Figure 1, peak employment occurs during the months of July and August reaching a level of 14,000 to 16,000 employees. The highest peaks in average weekly hours also occur during the summer months, mainly July and August, as fishing activity increases. By examining Figure 2, which compares average hourly earnings with average weekly hours, it can be seen that average hourly earnings drop when average weekly hours increase. The lowest average hourly earnings occur in the summer when employment in fish harvesting employment is greatest. Conversely, for food and kindred products the lowest average weekly hours and the highest average hourly earnings occur in the winter, mainly during the November, December, and January period when fishing activity is at its lowest.

Figure 1



The only other industry with dramatic changes is wholesale trade, where average hourly earnings have increased 13% over last year's level. As mentioned in the October issue of *Alaska Economic Trends*, the sample for the July 1984 average weekly earnings and average hourly earnings increased dramatically, thereby affecting average hourly earnings estimates.

Figure 2